

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT No. 2266

LISTED JULY 17, 1967

6,385,374 shares of Common Stock of
\$1 par value each, of which
171,675 shares are subject to
issuance.
Stock Symbol "MDE"
Dial Quotation Number 1931
Post Section 11.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

J. RAY McDERMOTT & CO., INC.

Incorporated April 15, 1946 under the
Laws of the State of Delaware

CAPITALIZATION AS AT MAY 31, 1967

SHARE CAPITAL	Authorized	Issued and Outstanding	To be Listed
Common Stock, par value \$1 per share	9,000,000	6,130,599	6,385,374(1)

FUNDED DEBT

4¾% Promissory Note due November 1, 1984	30,000,000	30,000,000	None
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- (1) Includes 83,100 shares previously issued but repurchased by the Company and now held in its treasury and 171,675 shares reserved for issuance upon the exercise of employee stock options.

June 26, 1967

APPLICATION

J. Ray McDermott & Co., Inc. (hereinafter the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 6,385,374 shares of Common Stock, par value \$1 per share of the Company of which, at May 31, 1967, 6,213,699 (including 83,100 held in the Company's treasury) have been issued as fully paid and non-assessable and of which 6,130,599 are presently outstanding. The remaining 171,675 shares of Common Stock included in this application have been reserved for issuance upon the exercise of options granted or to be granted under the Company's stock option plan for officers and key employees.

REFERENCE TO ANNUAL REPORT

Reference is hereby made to the attached Annual Report to Shareholders for the fiscal year ended March 31, 1967 which is incorporated herein and made a part hereof and referred to for additional information in connection with this statement.

HISTORY AND BUSINESS

The Company was incorporated under the laws of the State of Delaware on April 15, 1946 with a perpetual charter. For more than ten years prior to the incorporation of the Company, the business it conducted was transacted by several corporations, partnerships and proprietorships.

Since the early 1920s, the principal activity of the Company and its predecessors has been to provide specialized construction services to the petroleum industry. The Company's work includes engineering, fabrication, and installation of complete facilities or individual components for the production and transportation of oil and gas, usually in offshore or marshland areas.

The Company is also engaged in the exploration and development of oil and gas properties, principally in Texas, Louisiana, offshore Louisiana, and in Canada in the Northwest Territories, Alberta and British Columbia.

Reference is made to pages 4 through 23 of the attached Annual Report to Shareholders for the fiscal year ended March 31, 1967 for further information with respect to the Company's business.

CAPITAL STOCK

The Company's Certificate of Incorporation initially authorized 100,000 shares of stock, par value \$10 per share. Set forth below is a tabulation of the subsequent changes in authorized stock capitalization of the Company, with the dates on which the respective amendments to the Company's Certificate of Incorporation effecting such changes were filed with the Secretary of State of Delaware:

Date	Authorized Stock Capitalization Immediately Following Amendment
June 28, 1948.....	100,000 shares of Common Stock, par value \$10 per share. 4,000 shares of Preferred Stock, par value \$50 per share.
December 16, 1948.....	200,000 shares of Common Stock, par value \$10 per share. 4,000 shares of Preferred Stock, par value \$50 per share.
December 22, 1952.....	2,500,000 shares of Common Stock, par value \$1 per share.
July 11, 1957.....	9,000,000 shares of Common Stock, par value \$1 per share.

SHARE ISSUES DURING PAST TEN YEARS

At May 31, 1957 there were issued and outstanding 2,019,900 shares of Common Stock, par value \$1 per share, of the Company. At such date the capital account and the capital in excess of par value account showed balances of \$2,019,900 and \$2,436,524, respectively. The following table summarizes the issuance of shares of the Company's Common Stock in the last ten calendar years, including shares issued in payment of stock dividends, together with the effect such issues had on the capital account and capital in excess of par value account, respectively. Reference also is made to the caption "Dividend Record" herein.

Date of Issue	Number of Shares	Amount Realized Per Share	Total Amount Realized Capital	Capital in Excess of Par
March 31, 1958				
Stock options exercised	1,600	\$14.64	\$ 1,600	\$ 21,825
Contribution to Profit Sharing Plan	7,624	64.88	7,624	486,983
March 31, 1959				
Contribution to Profit Sharing Plan	7,599	36.00	7,599	265,965
Stock issued in purchase of Sharman, Allen, Gay & Taylor, Inc.	60,000	34.50	60,000	2,010,000
10% stock dividend	209,673	50.00(1)	209,673	10,273,977
March 31, 1960				
Contribution to Profit Sharing Plan	3,989	46.00	3,989	179,505
10% stock dividend	231,039	32.84(1)	231,039	7,356,282
March 31, 1961				
2% stock dividend	50,829	33.58(1)	50,829	1,656,008
March 31, 1962				
3 for 2 stock split	1,296,127		1,296,127	(1,296,127)
October 28, 1964				
Conversion of \$8,208,200 in principal amount of debentures, less expenses	220,636	36.66	220,636	7,868,722
February 1965—February 1966				
Excess Cost of Treasury stock over amount received upon exercise of stock option covering an aggregate of 2,100 shares				(5,082)
Stock options exercised in 1966	20,000	29.38	20,000	567,600
	3,100	30.99	3,100	96,070
	1,300	35.50	1,300	44,850
	1,400	28.70	1,400	38,780
Stock options exercised in 1967 through May 31, 1967	200	59.63	200	11,726
	1,800	35.50	1,800	62,100
	6,975	19.13	6,975	126,457
	1,500	23.67	1,500	44,005
March 31, 1967				
3 for 2 stock split	2,068,408		2,068,408	(2,068,408)
Summary:				
May 31, 1957	2,019,900		2,019,900	2,436,524
May 31, 1967	6,213,699(2)		\$6,213,699	\$30,167,763

(1) Transferred from earned surplus.

(2) Includes 83,100 shares previously issued but repurchased by the Company and now held in its treasury.

DESCRIPTION OF COMMON STOCK

The following statements with respect to the Common Stock of the Company are a summary of certain rights and privileges attaching to the holding of the Common Stock of the Company under the Company's Certificate of Incorporation and the laws of the State of Delaware. Reference is made to the Company's Certificate of Incorporation and such laws for a complete statement of such rights and privileges.

The holders of the Common Stock are entitled to receive dividends as may be declared thereon by the Board of Directors of the Company out of funds legally available therefor. The holder of record of each share of Common Stock is entitled to one vote for each share held by him of record. In the event of liquidation

of the Company, the holders of the Common Stock would be entitled to share equally and ratably in any assets remaining after payment of all debts and liabilities. Holders of the Common Stock have no preemptive rights or conversion rights and shares thereof are not subject to redemption.

A long-term debt agreement of the Company relating to the issuance of its 4 $\frac{3}{4}$ % Promissory Notes in the principal amount of \$30,000,000 contains a provision restricting the payment of dividends and the purchase, redemption or retirement of capital stock. However, at March 31, 1967, approximately \$12,500,000 of retained earnings were not restricted under this provision. Reference is made to the caption "Funded Debt" herein.

All shares of Common Stock that have been issued are fully paid and non-assessable under the laws of the State of Delaware.

DIVIDEND RECORD

The following table shows the dividend record on the Company's Common Stock, par value \$1 per share over the ten preceding years. All dividends disclosed have been paid.

RECORD OF CASH DIVIDENDS

<u>Payment Date</u>	<u>Amount Per Share</u>	<u>Dividend Amount</u>	<u>Remarks</u>
3-29-57	\$.15	\$ 302,985.00	Quarterly
6-28-57	.15	304,338.60	Quarterly
9-30-57	.15	304,368.60	Quarterly
1- 2-58	.15	304,368.60	Quarterly
3-31-58	.15	304,368.60	Quarterly
6-27-58	.15	305,508.45	Quarterly
9-30-58	.15	314,508.45	Quarterly
1- 2-59	.15	314,508.45	Quarterly
3-12-59	.15	314,508.45	Quarterly
6-30-59	.15	346,557.75	Quarterly
9-30-59	.15	346,557.75	Quarterly
1- 4-60	.15	346,557.75	Quarterly
3-31-60	.15	346,557.75	Quarterly
6-30-60	.15	381,213.60	Quarterly
9-30-60	.15	381,213.60	Quarterly
1- 3-61	.15	381,213.60	Quarterly
3-31-61	.15	381,213.60	Quarterly
6-30-61	.15	388,837.95	Quarterly
9-29-61	.15	388,837.95	Quarterly
1- 2-62	.15	388,837.95	Quarterly
3-30-62	.15	388,837.95	Quarterly
3-30-62	.30	777,675.90	Year End Extra
6-29-62	.15	583,257.00	Quarterly
9-28-62	.15	583,257.00	Quarterly
1- 2-63	.15	583,257.00	Quarterly
3-29-63	.20	777,676.00	Quarterly
3-29-63	.10	388,838.00	Year End Extra
6-28-63	.20	777,676.00	Quarterly
9-30-63	.20	777,676.00	Quarterly
1- 2-64	.20	777,676.00	Quarterly
3-31-64	.20	777,676.00	Quarterly
6-30-64	.20	777,676.00	Quarterly
9-30-64	.20	774,576.00	Quarterly
1- 4-65	.20	818,703.20	Quarterly
3-31-65	.25	1,023,629.00	Quarterly
3-31-65	.15	614,177.40	Year End Extra
6-30-65	.25	1,023,654.00	Quarterly
9-30-65	.25	1,013,154.00	Quarterly
1- 3-66	.25	1,013,279.00	Quarterly
3-31-66	.30	1,208,564.48	Quarterly
6-30-66	.30	1,223,014.80	Quarterly
9-30-66	.30	1,223,074.80	Quarterly
1- 3-67	.30	1,223,164.80	Quarterly
3-31-67	.37 $\frac{1}{2}$	1,530,542.75	Quarterly

STOCK DIVIDENDS

<u>Year</u>	<u>Date Paid</u>	<u>Rate Per Share</u>	<u>Shares</u>
1959	3-12-59	10%	209,673
1960	3-31-60	10%	231,039
1961	3-31-61	2%	50,829

RECORD OF PROPERTIES

The principal properties of the Company are marine vessels and construction and fabrication equipment for the installation of offshore drilling and production platforms and the installation of marine and cross-country pipelines, and shops and other facilities for the design and construction of such equipment and platforms and other facilities installed by the Company. This equipment includes such items as derrick barges capable of lifting 500 tons and miscellaneous hand tools. Typical of the Company's equipment and facilities are seagoing tugs having 4,000 horsepower, cargo and launching barges, inland barges with track mounted equipment, pipelaying barges, clamshell and hydraulic dredges, trucks, automotive equipment, airplanes, communication facilities, fabrication shops, dry docks, iron-working equipment, automatic welding equipment, machine shops, propeller shops, etc. Much of this equipment is specialized for offshore construction and is of the latest design. The Company also rents certain equipment including computers and miscellaneous additional equipment when Company-owned equipment is fully utilized.

The Company and its subsidiaries hold fee or leasehold interests in an aggregate of 5,152,097 acres, which interests are the equivalent of 1,828,216 net acres in ten states and in Canada, for the purpose of exploration and production of oil and gas. These properties are located primarily in Texas, Louisiana, offshore Louisiana, and in Canada in the Northwest Territories, Alberta and British Columbia. The Company has interests in 1,045 oil wells, and 128 gas wells situated on such properties. The Company's interests in such wells are equivalent to ownership of 38.18 net oil wells and 127 net gas wells, respectively. The Company also owns oil and gas producing equipment of the usual type on certain of the producing acreage in which it has interests.

As of March 31, 1967, the Company and its subsidiaries had property, plant and equipment at cost of \$153,948,395. Accumulated depreciation, depletion and amortization amounted to \$67,415,645, leaving a net book value of \$86,532,750.

Reference is made to the Company's Annual Report for the year ended March 31, 1967, for a description of certain items of the Company's capital equipment.

SUBSIDIARY COMPANIES

The following is a list of all subsidiary or controlled companies of the Company together with certain information with respect to each such company:

Name of Company: <u>Jurisdiction and Year of Incorporation</u>	<u>Principal Business</u>	Percentage of Outstanding Voting Securities Beneficially Owned by the Company
Associated Pipe Line Contractors, Inc. (Texas - 1956)	Pipeline contracting	100%
"Dick" Evans, Inc. (Louisiana - 1961)	Diving	100%
Jaramac Petroleum (U.K.) Limited (England - 1965)	Production of oil	100%
J. Ray McDermott Canada, Ltd. (Canada - 1967)	Production of oil	100%
J. Ray McDermott & Co. (Nederland) N.V. (Netherlands - 1963)	General contracting	100%
J. Ray McDermott (U.K.) Inc. (Panama - 1963)	General contracting	100%
J. Ray McDermott (Venezuela) C.A. (Venezuela - 1957)	General contracting	100%
McDermott Entreprises France S.A. (France - 1960)	General contracting	95%(1)
McDermott Far East Inc. (Panama - 1960)	General contracting	100%
McDermott-International Inc. (Panama - 1959)	General contracting	100%
McDermott Norway, Inc. (Delaware - 1965)	Production of oil	100%
McDermott Overseas, Inc. (Panama - 1959)	General contracting	100%
McDermott Petroleum (Iran), Inc. (Delaware - 1965)	Production of oil	100%
McDermott UAR Inc. (Panama - 1966)	General contracting	100%
Badya Builders, Inc. (Panama - 1962)	General contracting	100%(2)
Contratistas Costaneros, S.A. (Panama - 1961)	General contracting	100%(2)
Khafji Contractors, Inc. (Panama - 1960)	General contracting	100%(2)
Khor Contractors Inc. (Panama - 1962)	General contracting	100%(2)
McDermott International (Deutschland) GmbH (Germany - 1957)	Pipeline construction	100%(2)
McDermott Neutral Zone Inc. (Panama - 1960)	General contracting	100%(2)
Sharman, Allen, Gay & Taylor, S.A. (Panama - 1959)	General contracting	100%(2)

(1) Remaining 5% owned by controlled subsidiaries of the Company.

(2) Stock 100% owned by McDermott International, Inc. either directly or through nominees.

FUNDED DEBT

Pursuant to a Promissory Note Agreement dated October 9, 1964 between the Company and The Prudential Insurance Company of America (herein called "the Agreement"), the Company has issued its promissory note in the principal amount of \$30,000,000 due November 1, 1984 bearing interest at the rate of 4 $\frac{3}{4}$ % per annum on the unpaid balance thereof. Under the Agreement, the Company is obliged to prepay the note at the rate of \$1,600,000 on November 1 in each of the years 1968 to 1977 and at the rate of \$2,000,000 on November 1 of each year thereafter. The Agreement also contains provisions under which the Company may prepay the note in whole or in part.

Under the terms of the Agreement, "consolidated working capital" of the Company, as defined, must not be less than \$25,000,000 and the Company may not pay or declare any dividend on its stock or make any other distribution on its stock or redeem, purchase or otherwise acquire, directly or indirectly, any shares of its stock ("restricted payments") except out of "consolidated net earnings available for restricted payments" as defined in the Agreement. At March 31, 1967, approximately \$12,500,000 of retained earnings were not restricted under this provision.

STOCK OPTION PLAN

The Company has in effect a stock option plan which was adopted by the Board of Directors on February 13, 1962 and approved by the stockholders on August 14, 1962. It was amended, pursuant to authority reserved in the plan, by the Company's Board of Directors on September 30, 1964 to conform with the 1964 amendments to the Internal Revenue Code. The plan terminates on February 12, 1977, unless sooner terminated in accordance with its terms.

The Company's stock option plan authorizes a committee, composed of persons not eligible to receive options under the plan, to grant options to executives and key employees of the Company and its subsidiaries. The option price for any option granted under the plan prior to December 31, 1963 was at least 95% of the fair market value of the Common Stock on the date of the grant and the option price on any options granted or to be granted after December 31, 1963 must not be less than the fair market value of the Common Stock on the date of the grant.

The options granted under the plan also provide for appropriate adjustment in the number and kind of shares subject to option or in the option prices of shares, or both, in the event that there is any change in the Common Stock as a result of stock split-ups, stock dividends, combinations or exchange of shares, or other changes referred to in the plan.

Each option granted under the plan is or will be non-transferable (except upon the death of the employee) and may be exercised only while the employee remains in the employ of the Company or its subsidiaries or certain other corporations described in the plan or within three months after termination of such employment under circumstances described in the plan, including retirement. In the event of the death of an employee, the entire unexercised portion of the option may be exercised by the person or persons to whom his rights in the option have passed on his death at any time within the remaining term of the option. In no case may an employee, a former employee, retired employee or the representative of a deceased employee exercise an option after the expiration of the term of the option.

At May 31, 1967 there were outstanding options to purchase an aggregate of 171,225 shares of Common Stock and 450 shares of Common Stock remain available for the grant of future options under the plan. The option prices of the presently outstanding options range from \$19.13 to \$39.75 and the expiration dates of such options range from September 29, 1969 to February 12, 1972. The figures with respect to the number of shares and options prices have been appropriately adjusted to reflect certain stock splits and stock dividends referred to elsewhere in this Listing Statement. No options may be granted under the Plan after February 12, 1972.

LISTING ON OTHER EXCHANGES

The outstanding shares of the Common Stock of the Company are listed on the New York Stock Exchange in the United States. In addition, the shares of Common Stock issuable under options granted or to be granted under the Company's stock option plan are authorized for listing, upon official notice of issuance thereof, on said stock exchange. No other securities of the Company or its subsidiaries are listed on any exchange.

STATUS UNDER SECURITIES ACTS

The Company has never made any filings with or obtained registration, approval or qualification by the Ontario Securities Commission or any corresponding government body or authority in Canada. The Common Stock of the Company is registered under the United States Securities Exchange Act of 1934. In addition, shares of Common Stock issuable upon the exercise of options outstanding or to be granted under the Company's stock option plan are currently registered under the United States Securities Act of 1933. A Registration Statement on Form S-8 (No. 2-23513) originally became effective on July 1, 1965 and Post-Effective Amendment No. 2 thereto became effective on July 7, 1966.

On July 20, 1954 a Registration Statement on Form S-1 (No. 2-11014) under the United States Securities Act of 1933 became effective with respect to 300,000 shares of the Common Stock of the Company. On August 6, 1957 a Registration Statement on Form S-1 (No. 2-13481) under the United States Securities Act of 1933 became effective with respect to \$20,292,000 in principal amount of 5% Convertible Subordinated Debentures due August 1, 1972 and with respect to rights to subscribe to such debentures and the shares of Common Stock into which such debentures were convertible.

FISCAL YEAR AND ANNUAL MEETINGS

The Company's fiscal year ends on March 31. Pursuant to the Company's By-Laws, the regular Annual Meeting of Shareholders is held the second Tuesday of August of each year at its office in Houston, Texas. The last Annual Meeting was held on August 9, 1966.

OFFICES OF THE COMPANY

The principal office of the Company is located on the Second Floor - Saratoga Building, New Orleans, Louisiana.

Mailing Address: P.O. Box 60035
New Orleans, Louisiana 70160

The Company also has offices located in the United States and foreign countries as follows:

United States Offices

Houston, Texas
Harvey, Louisiana
Houma, Louisiana
Lafayette, Louisiana
Morgan City, Louisiana
Venice, Louisiana
Anchorage, Alaska

Foreign Offices

Beirut, Lebanon
Maracaibo, Venezuela
The Hague, Netherlands
Lagos, Nigeria
London, England

TRANSFER AGENTS

The names and addresses of the transfer agents for the Common Stock of the Company are as follows:

First National City Bank
55 Wall Street
New York, New York

First City National Bank of Houston
1001 Main Street
Houston, Texas

International Trust Company
101 Richmond Street West
Toronto, Ontario, Canada

The stock certificates representing shares of Common Stock of the Company are transferable in Houston, New York and Toronto.

TRANSFER FEE

No fee is charged on stock transfers other than customary government stock transfer taxes.

REGISTRARS

The names and addresses of the registrars for the Common Stock of the Company are:

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Texas National Bank of Commerce of Houston
P.O. Box 2558
Houston, Texas 77001

The Canada Trust Company
33 Adelaide Street, West
Toronto 1, Ontario, Canada

AUDITORS

Independent certified public accountants for the Company are Messrs. Mattison and Riquelmy, 14th Floor, Houston Club Building, Houston, Texas 77002.

OFFICERS AND DIRECTORS

The following is a list of the officers and directors of the Company, their respective office addresses, their present positions with the Company and their present principal occupations:

<u>Name</u>	<u>Address</u>	<u>Position with the Company and Principal Occupation</u>
R. Thos. McDermott	14th Floor - Houston Club Bldg. - Houston, Texas	Chairman of the Board of Directors
A. H. Stall	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Vice Chairman of the Board of Directors and Vice President
Roger W. Wilson	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Director and President
C. L. Graves	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Director and Executive Vice President
R. N. Crews	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Director and Vice President
J. E. Cunningham	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Director and Treasurer
L. E. Stewart	P.O. Drawer 38 Harvey, Louisiana	Vice President
H. W. Bailey	Post Office Box 188 Morgan City, Louisiana	Vice President
John D Dupy	2nd Floor - Saratoga Bldg. New Orleans, Louisiana	Secretary
Graham D. Mattison	14 Wall Street New York, New York	Director; Director of various corporations
Frederick L. Moore	17 Wall Street New York, New York	Director; Vice President of Kidder Peabody & Co. Incorporated
George D. Aldrich	79 Milk Steet Boston, Massachusetts	Director; Vice President of Winslow, Cohu and Stetson Incorporated
William A. Hobbs	No. 2 Ednam Forest Charlottesville, Virginia	Director; Director of various corporations
Eugene D. Saunders	Whitney Building New Orleans, Louisiana	Director; Partner in the law firm of Milling, Saal, Saunders, Benson and Woodward

All of the persons listed as officers of the Company have been employed by the Company in executive positions during the past five years. All other directors of the Company have had as their principal occupation during the past five years that listed above except for Mr. Aldrich who, prior to 1964, was Senior Vice President and Treasurer of Incorporated Investors and Incorporated Income Fund, Boston, Massachusetts, and Mr. Hobbs who, prior to 1966, was President and Treasurer of The M. A. Hanna Co., Cleveland, Ohio.

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, the applicant company hereby applies for listing the above-mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and the documents submitted in support thereof are true and correct.

J. RAY McDERMOTT & CO., INC.

"ROGER W. WILSON"
President

"JOHN D DUPY"
Secretary



FINANCIAL STATEMENTS

Reference is made to pages 9 through 16 of the attached Annual Report to Stockholders for the fiscal year ended March 31, 1967 attached to this Listing Statement.

DISTRIBUTION OF COMMON STOCK AS OF MAY 31, 1967

<u>Number</u>	<u>Shares</u>
2,580 Holders of 1 — 24 share lots	21,148
1,976 " " 25 — 99 " "	108,076
1,684 " " 100 — 199 " "	240,894
421 " " 200 — 299 " "	103,899
470 " " 300 — 399 " "	146,281
211 " " 400 — 499 " "	93,614
361 " " 500 — 999 " "	250,323
499 " " 1000 — up " "	5,249,464
<u>8,202 Shareholders</u>	<u>Total shares 6,213,699</u>

